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## United States Department of the Interior

### BUREAU OF LAND MANAGEMENT

Utah State Office

P.O. Box 45155

Salt Lake City, UT 84145-0155

<http://www.blm.gov>



JAN 18 2008

IN REPLY REFER TO:

3480

UT (923)

SL-062648

RECEIVED

JAN 22 2008

LAND & MINING

CERTIFIED MAIL--Return Receipt Requested 7004 2510 0003 7279 5758

Mr. David Hibbs  
Director, Engineering  
UtahAmerican Energy, INC.  
P.O. Box 1077  
Price, Utah 84501

*Incident OK*  
*C/015/0032*

Re: Temporary Interruption in Coal Severance – Conditions for Idling, Block Wall Design,  
Crandall Canyon Mine

### NOTICE OF NONCOMPLIANCE

The Bureau of Land Management (BLM) is issuing this notice of non-compliance to UtahAmerican Energy (UEI) for failure to comply with the approved block wall design as a condition of BLM's granting of temporary interruption of coal severance. The BLM granted this temporary interruption on conditions dated September 20, 2007 and approved the block wall design as part of compliance with the conditions of approval on October 5, 2007 copy attached.

On January 11, 2008, the Price Field Office of the BLM was notified by UEI that water was discharging from the Crandall Canyon Mine portals, draining past the block walls constructed at four portals at the mine. Upon observing the conditions of the block walls, no sampling tube/pipe near the top of the walls or discharge pipe near the bottom of the walls were noted in the two block walls that could be observed. Further, mine personnel confirmed that no pipes or tubes were installed during construction of any of the walls and they were unaware of the requirement. This is in violation of the approved design as depicted in the submitted block wall design approved on October 5 which required all the block walls have both a drainage pipe and gas sampling tube installed. The discharge pipes were required for just this sort of incident of water not draining to the proper discharge location and coming up against the block walls.

### Requirements to Correct the Mining Plan Noncompliance:

Within 30 days of receipt of this letter, UEI must bring the block walls up to the design requirements by adding the sampling tubes and discharge pipes or submit acceptable alternate plans, if any, to accomplish the purposes of the block walls and pipes/tubes. We understand the installation will require UEI receive consultation/approval from Mine Safety and Health Administration (MSHA) to modify the block walls.

The modifications to bring the block walls into compliance must be approved by and coordinated with the BLM. Also, a copy of the final MSHA plan consultation/approval for installation must be provided to the BLM. Further, BLM requires that when the company completes the modifications, automatically dated pictures be provided to the BLM clearly showing the block walls with the pipes installed.

### Compliance:

Failure to comply with this Notice of Noncompliance will result in further action which could include lease bond forfeiture and/or lease cancellation proceedings.

### Appeal Rights:

You have 30 calendar days from the receipt of this notice to come into compliance. Following the compliance period, you then have 30 calendar days to appeal to the Board of Land Appeals, Office of the Secretary, in accordance with the regulation at 43 CFR Part 4 and the enclosed Form 1842-1. If an appeal is taken, your notice of appeal must be filed in this office within 30 calendar days following at the end of the compliance period. The appellant has the burden of showing that the decision appealed from is in error.

If you wish to file a petition pursuant to regulation 43 CFR 4.21 (58 FR 4939, January 19, 1993) for a stay of the effectiveness of this decision during the time that you appeal is being reviewed by the Board, the petition for a stay must accompany your notice of appeal. A petition for a stay is required to show sufficient justification based on the standards listed below. Copies of the notice of appeal and the petition for a stay must also be submitted to the Office of the Solicitor (see 43 CFR 4.413) at the same time the original documents are filed with this office. If you request a stay, you have the burden of proof to demonstrate that a stay should be granted.

### Standards for Obtaining a Stay:

Except as otherwise provided by law or other pertinent regulation, a petition for a stay of a decision pending appeal shall show sufficient justification based on the following standards;

- (1) The relative harm to the parties if a stay is granted or denied;
- (2) The likelihood of the appellant's success on the merits;
- (3) The likelihood of the immediate and irreparable harm if the stay is not granted, and;
- (4) Whether the public interest favors granting the stay.



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Utah State Office  
P.O. Box 45155  
Salt Lake City, UT 84145-0155  
<http://www.blm.gov>



IN REPLY REFER TO:

3482

UTU-68082, UTU-54762, SL-062648  
(UT-923)

Certified Mail--Return Receipt Requested  
Certificate No. 7002 2410 0007 8750 9226

OCT - 5 2007

Mr. David W. Hibbs  
Director, Engineering  
Genwal Resources, Inc.  
P. O. Box 1077  
Price, Utah 84501

Re: Grant Temporary Interruption in Coal Severance - Conditions for Idling

Dear Mr. Hibbs:

**Background:** On September 20, 2007, the Bureau of Land Management (BLM) granted temporary interruption in coal severance to Genwal Resources, Inc. (Genwal) on condition as outlined in the September 20, 2007, letter. On September 28, 2007, the Price Field Office of the BLM received from Genwal a letter, dated September 26, 2007, with drawings showing design and location of block walls (subsequently revised and submitted by Genwal on October 04, 2007). These submissions are in response to condition # 1 of the approval of temporary interruption of coal severance.

**Affected Leases:** The following Federal coal leases are affected by this action: UTU-68082, UTU-54762, and SL-062648.

**Proposal:** Genwal's submission of the block walls' location and design (drawings subsequently revised and submitted by Genwal on October 04, 2007) have been reviewed by this office. The design of the protective barriers as revised and combined with continuous and constant on-site surveillance is sufficient for public safety for the portal entries and is sufficient to protect the coal resource for this idle period.

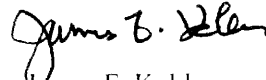
**Approval:** The BLM approves the design and the location of the protective barriers (with fencing and continuous constant surveillance) in the 4 portal entries of the Crandall Canyon #1 (North) Mine as submitted

**Explanation & Conditions of Approval:** Prior to construction of the block walls, BLM shall be notified so as a representative can be available for verifying the location and installation of the block walls. This approval is provided by BLM only; all other approvals by other agencies or entities are not part of this approval.

**National Environmental Policy Act (NEPA):** This action is Categorically Excluded from NEPA analysis, as explained in the Department Manual (5 DM Part 516 11.5 (F) (8)).

**Other Legal Compliances:** This modification to the R2P2 complies with the Mineral Leasing Act of 1920, as amended, the regulations at 43 CFR 3480, and the lease terms and conditions. If you have any questions, please contact Stephen Falk in the Price Field Office at (435)636-3605, or Jeff McKenzie of my staff at (801)539-4038.

Sincerely,



James F. Kohler  
Chief, Solid Minerals Branch

Enclosures:

With Attachments (2)

cc: UT-070, Price Field Office (w/ enclosures)  
Utah Division of Oil Gas and Mining (w/o enclosures)  
1594 West North Temple, Suite 1210  
Salt Lake City, Utah 84114-5801

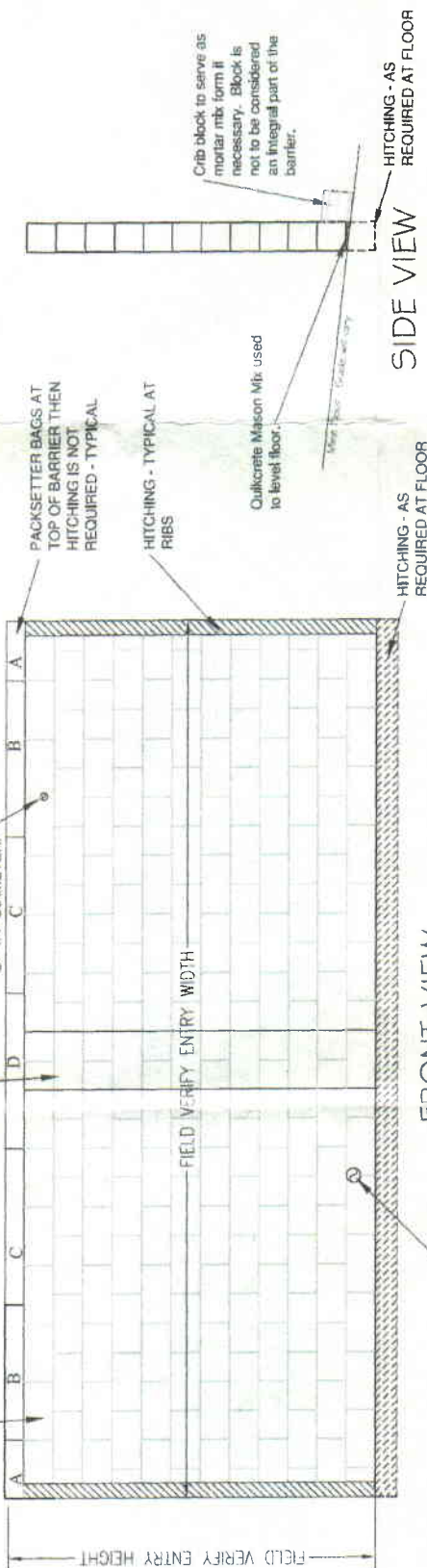




PACKSETTER BAG PUMPING SEQUENCE TYPICALLY WILL BE BAGS MARKED "A", THEN "B", THEN "C", & FINALLY "D". HOWEVER, SITE-SPECIFIC CONDITIONS MAY REQUIRE A SLIGHTLY DIFFERENT SEQUENCE.

EACH SEAL SHALL HAVE (1) SAMPLING PIPES/TUBES INSTALLED. SAMPLING PIPE/TUBE SHALL EXTEND APPROXIMATELY 15" INBY THE FACE OF THE NEW BLOCK BARRIER. THE SAMPLING PIPE/TUBE SHALL BE FITTED WITH A SHUTOFF VALVE AND APPROPRIATE FITTING FOR TAKING GAS SAMPLES. PIPE/TUBING SHALL BE A MINIMUM OF 1/4" DIAMETER.

BLOCKS ARE TO BE MINIMUM 8" x 8" x 16". EXCEPT WHERE 1/2 BLOCKS ARE REQUIRED WHICH WILL BE A MINIMUM OF 8" x 8" x 8".



MINIMUM 4" DIAMETER WATER DRAINAGE PIPE SHALL BE INSTALLED AT EACH NEW BARRIER WALL. THE WATER DRAINAGE PIPE SHALL BE MADE OF CORROSION RESISTANT MATERIAL EQUAL IN STRENGTH TO SCHEDULE 40 STEEL PIPE. THE WATER DRAINAGE PIPE WILL BE FITTED WITH A METAL P-TRAP WITH MINIMUM 6" RISER. THE P-TRAP MAY BE FITTED WITH A VALVE OR CAP.

THE SOLID CONCRETE BLOCKS ARE TO BE CONSTRUCTED TO WITHIN 5 INCHES OF THE ROOF ONLY WHEN PACKSETTER BAGS ARE USED. IN NO CASE SHALL THE GAP BETWEEN THE CONCRETE BLOCKS AND ROOF EXCEED 8 INCHES. AN MSHA APPROVED POLYURETHANE FOAM WILL BE USED TO FILL ANY GAPS BETWEEN CONCRETE BLOCKS. THE RISERS/ROOF, AND PACKSETTER BAGS ON THE BARRIER WALLS.

THE AREA OF BARRIER INSTALLATION MUST BE CLEANED OF LOOSE MATERIALS AND STANDING WATER. INSTALLED APPROXIMATELY 30' FROM THE PORTAL. CONVENTIONAL HITCHING IS REQUIRED ON THE ROOF, RISERS, AND FLOOR UNLESS THE BARRIER IS SET ON SUBSTANTIAL MATERIAL. IN THIS CASE, HITCHING IS NOT REQUIRED AT FLOOR OR ROOF.

THE CONCRETE BLOCKS UTILIZED TO CONSTRUCT EACH BARRIER SHALL BE SOLID CONCRETE BLOCKS WITH A NOMINAL DIMENSION OF 8" x 8" x 16". FIELD VERIFY THE HEIGHT AND WIDTH OF EACH ENTRY RECEIVING A BARRIER. COAL RISERS SHALL BE HITCHED AT EACH END OF THE BARRIER WALL. THE ROOF AND/OR FLOOR OF EACH BARRIER WALL SHALL BE HITCHED UNLESS SUBSTANTIAL MATERIAL IS PRESENT. FIELD VERIFY CONDITIONS PRIOR TO CONSTRUCTION.

CONCRETE BLOCKS SHALL BE LAID IN A RUNNING BOND PATTERN AND HALF BLOCK WILL BE UTILIZED TO PROVIDE OVERLAPPING OF VERTICAL JOINTS. EACH BLOCK SHALL BE MORTARED TO THE ADJACENT BLOCK USING QUIKCRETE MASON MIX OR EQUAL. THE MORTAR ON EACH BLOCK WILL CONSIST 3/8 INCH WIDE BED ON THE TOP (OR BOTTOM WHERE APPLICABLE) & SIDE OF EACH BLOCK ALONG THE ENTIRE LENGTH OF THE BLOCK.

PACKSETTER BAGS ARE TO BE CENTERED ALONG THE TOP OF THE BARRIER TO LOCK THE BARRIER INTO PLACE. OVERLAPPING JOINTS ARE TO BE USED STARTING FROM THE RISERS AND ALONG THE TOP. THE AMOUNT OF OVERLAP OF THE BAGS, MEASURED PRIOR TO INJECTION OF GROUT IS TO BE A MINIMUM OF 6". ALL PACKSETTER BAGS ARE TO BE PRESSURIZED TO A MINIMUM OF 350 KPa (50 PSI). THE AMOUNT OF BAG OVERHANGING ON EACH SIDE OF THE BARRIER WILL BE A MINIMUM OF 9" PROTRUDING OUT FROM EACH SIDE OF THE BARRIER BEFORE THE BAGS ARE INJECTED WITH GROUT.

MINING PLAN APPROVED BY  
BUREAU OF LAND MANAGEMENT

Recommended By:

Mining Engineer (Date) 5 Oct 2007

Approved By:

Manager (Date) 10/5/2007

TYPICAL NEW  
BLOCK BARRIER

**Crandall Canyon Mines**

Crandall Canyon  
P.O. BOX 1077  
PRICE, UTAH

MSHA ID #42-01715

DESIGN BY	SCALE	NONE
APPROVED BY	DATE	4 OCT. 2007
DATE		PLATE #2



754 NORTH 2nd CANYON ROAD, EAST CANYON, UTAH 84501  
P.O. BOX 1077, PRICE, UTAH 84501  
PHONE: (435) 888-4000 FAX: (435) 888-4002

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

INFORMATION ON TAKING APPEALS TO THE INTERIOR BOARD OF LAND APPEALS

DO NOT APPEAL UNLESS

1. This decision is adverse to you,  
AND
2. You believe it is incorrect

IF YOU APPEAL, THE FOLLOWING PROCEDURES MUST BE FOLLOWED

- |                                 |   |
|---------------------------------|---|
| <b>1. NOTICE OF APPEAL.....</b> | A person who wishes to appeal to the Interior Board of Land Appeals must file in the office of the officer who made the decision (not the Interior Board of Land Appeals) a notice that he wishes to appeal. A person served with the decision being appealed must transmit the <i>Notice of Appeal</i> in time for it to be filed in the office where it is required to be filed within 30 days after the date of service. If a decision is published in the FEDERAL REGISTER, a person not served with the decision must transmit a <i>Notice of Appeal</i> in time for it to be filed within 30 days after the date of publication (43 CFR 4.411 and 4.413).   |
| <hr/>                           |   |
| <b>2. WHERE TO FILE</b>         |   |
| NOTICE OF APPEAL.....           | U.S. Department of Interior, Bureau of Land Management, Utah State Office<br>440 West 200 South, Suite 500, Salt Lake City, Utah 84101  |
| WITH COPY TO SOLICITOR...       | Regional Solicitor, Salt Lake City Intermountain Region, U.S. Department of Interior<br>125 S. State St., Room 6201, Salt Lake City, Utah 84131   |
| <hr/>                           |   |
| <b>3. STATEMENT OF REASONS</b>  | Within 30 days after filing the <i>Notice of Appeal</i> , file a complete statement of the reasons why you are appealing. This must be filed with the United States Department of the Interior, Office of Hearings and Appeals, Interior Board of Land Appeals, 801 N. Quincy Street, MS 300-QC, Arlington, Virginia 22203. If you fully stated your reasons for appealing when filing the <i>Notice of Appeal</i> , no additional statement is necessary (43 CFR 4.412 and 4.413).   |
| WITH COPY TO SOLICITOR.....     | Regional Solicitor, Salt Lake City Intermountain Region, U.S. Department of Interior<br>125 S. State St., Room 6201, Salt Lake City, Utah 84131   |
| <hr/>                           |   |
| <b>4. ADVERSE PARTIES.....</b>  | Within 15 days after each document is filed, each adverse party named in the decision and the Regional Solicitor or Field Solicitor having jurisdiction over the State in which the appeal arose must be served with a copy of: (a) the <i>Notice of Appeal</i> , (b) the Statement of Reasons, and (c) any other documents filed (43 CFR 4.413).   |
| <hr/>                           |   |
| <b>5. PROOF OF SERVICE.....</b> | Within 15 days after any document is served on an adverse party, file proof of that service with the United States Department of the Interior, Office of Hearings and Appeals, Interior Board of Land Appeals, 801 N. Quincy Street, MS 300-QC, Arlington, Virginia 22203. This may consist of a certified or registered mail "Return Receipt Card" signed by the adverse party (43 CFR 4.401(c)).  |
| <hr/>                           |   |
| <b>6. REQUEST FOR STAY.....</b> | Except where program-specific regulations place this decision in full force and effect or provide for an automatic stay, the decision becomes effective upon the expiration of the time allowed for filing an appeal unless a petition for a stay is timely filed together with a <i>Notice of Appeal</i> (43 CFR 4.21). If you wish to file a petition for a stay of the effectiveness of this decision during the time that your appeal is being reviewed by the Interior Board of Land Appeals, the petition for a stay must accompany your <i>Notice of Appeal</i> (43 CFR 4.21 or 43 CFR 2801.10 or 43 CFR 2881.10). A petition for a stay is required to show sufficient justification based on the standards listed below. Copies of the <i>Notice of Appeal</i> and Petition for a Stay must also be submitted to each party named in this decision and to the Interior Board of Land Appeals and to the appropriate Office of the Solicitor (43 CFR 4.413) at the same time the original documents are filed with this office. If you request a stay, you have the burden of proof to demonstrate that a stay should be granted.<br><br><b>Standards for Obtaining a Stay.</b> Except as otherwise provided by law or other pertinent regulations, a petition for a stay of a decision pending appeal shall show sufficient justification based on the following standards: (1) the relative harm to the parties if the stay is granted or denied, (2) the likelihood of the appellant's success on the merits, (3) the likelihood of immediate and irreparable harm if the stay is not granted, and (4) whether the public interest favors granting the stay. |

Unless these procedures are followed, your appeal will be subject to dismissal (43 CFR 4.402). Be certain that all communications are identified by serial number of the case being appealed.

**NOTE:** A document is not filed until it is actually received in the proper office (43 CFR 4.401(a)). See 43 CFR Part 4, Subpart B for general rules relating to procedures and practice involving appeals.

### 43 CFR SUBPART 1821--GENERAL INFORMATION

Sec. 1821.10 Where are BLM offices located? (a) In addition to the Headquarters Office in Washington, D.C. and seven national level support and service centers, BLM operates 12 State Offices each having several subsidiary offices called Field Offices. The addresses of the State Offices can be found in the most recent edition of 43 CFR 1821.10. The State Office geographical areas of jurisdiction are as follows:

#### STATE OFFICES AND AREAS OF JURISDICTION:

Alaska State Office ----- Alaska  
Arizona State Office ----- Arizona  
California State Office ----- California  
Colorado State Office ----- Colorado  
Eastern States Office ----- Arkansas, Iowa, Louisiana, Minnesota, Missouri  
and, all States east of the Mississippi River  
Idaho State Office ----- Idaho  
Montana State Office ----- Montana, North Dakota and South Dakota  
Nevada State Office ----- Nevada  
New Mexico State Office ---- New Mexico, Kansas, Oklahoma and Texas  
Oregon State Office ----- Oregon and Washington  
Utah State Office ----- Utah  
Wyoming State Office ----- Wyoming and Nebraska

(b) A list of the names, addresses, and geographical areas of jurisdiction of all Field Offices of the Bureau of Land Management can be obtained at the above addresses or any office of the Bureau of Land Management, including the Washington Office, Bureau of Land Management, 1849 C Street, NW, Washington, DC 20240.

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(Form 1842-1, September 2006)